

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT
NASHVILLE, TENNESSEE**

February 6, 2004

IN RE:)	
)	
PETITION OF ON-SITE SYSTEMS, INC.)	DOCKET NO.
TO AMEND ITS CERTIFICATE OF)	03-00519
CONVENIENCE AND NECESSITY)	

**ORDER APPROVING PETITION OF ON-SITE SYSTEMS, INC.
TO AMEND ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

This matter came before Chairman Deborah Taylor Tate, Director Sara Kyle and Director Ron Jones of the Tennessee Regulatory Authority (the "TRA" or "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on January 5, 2004 to consider the Petition (the "Petition") of On-Site Systems, Inc ("On-Site" or the "Company") to amend its Certificate of Public Convenience and Necessity ("CCN") to expand its service area to include Weigel's Convenience Store in Roane County, Tennessee

Legal Standard for Granting CCN

No public utility is permitted to begin construction or operation of a new utility facility or service before obtaining the approval of the TRA. The procedure for obtaining such approval is outlined in Tenn. Code Ann. § 65-4-201(a), which reads in pertinent part as follows.

No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the

construction of any plant, line, system or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

Background

On April 6, 1994, On-Site received a CCN in Docket No 93-09040 from the Tennessee Public Service Commission to provide wastewater service to the Oakwood Subdivision in Maury County. Since that time, through various other dockets, On-Site has been granted approval to expand its service territory to include other areas in Tennessee.

Petition to Amend CCN

On September 11, 2003, On-Site filed its Petition to amend its CCN to expand its service area to include Weigel's Convenience Store. A map showing the area to which On-Site proposes to extend service is attached to its Petition. On-Site filed a rate schedule with its Petition in this docket which states that the commercial rates for Weigel's Convenience Store will be as follows:

Total monthly charge	\$35.11
Non-payment fee	5% of monthly charge
Disconnection fee	\$10
Reconnection fee	\$15
Returned check fee	\$20
Access fee	\$84/year

This rate schedule comports with the rate schedule for On-Site approved by the TRA in Docket No. 99-00393.

In its Petition, On-Site contends that neither Roane County nor the City of Kingston have the desire to provide wastewater service to Weigel's Convenience Store. In support of this contention, On-Site submitted a letter dated August 25, 2003 from Ken Yager, Roane County Mayor, stating that Roane County has no plans to provide sewer service to Weigel's Convenience Store. On-Site also submitted a August 25, 2003 letter from Jim Pinkerton, Interim

City Manager for City of Kingston Water Department, stating that the City of Kingston does not plan to provide sewer services to the intersection of Gallaher and I-40 within twelve months.

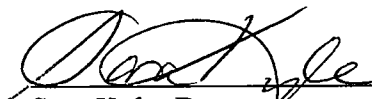
January 5, 2004 Authority Conference


The Directors of this voting panel considered On-Site's Petition at the regularly scheduled Authority Conference held on January 5, 2004. During the Conference the panel voted unanimously to approve the Petition.

IT IS THEREFORE ORDERED THAT:

1. The Petition of On-Site Systems, Inc. to amend its Certificate of Public Convenience and Necessity to expand its service area to include Weigle's Convenience Store in Roane County, Tennessee, as shown in the map attached to the Petition, is approved
- 2 On-Site's rates for wastewater service to Weigle's Convenience Store shall be as listed in the rate schedule filed with On-Site's Petition and as set forth in this Order.


Deborah Taylor Tate, Chairman


Sara Kyle, Director


Ron Jones, Director